75-9037

ZIMMER, Donald Thomas, 1929-
MADISON, INDIANA, 1811-1860: A STUDY IN THE PROCESS OF CITY BUILDING.

Indiana University, Ph.D., 1974
History, modern

Xerox University Microfilms, Ann Arbor, Michigan 48106

© 1975

DONALD THOMAS ZIMMER

ALL RIGHTS RESERVED

Madison, Indiana, 1811-1860: A Study in the Process of City Building

by

Donald T. Zimmer

Submitted in partial fulfillment of the
requirements of the degree of
Doctor of Philosophy in the
Department of History,
Indiana University,
August, 1974

This dissertation is accepted in partial fulfillment

of the requirements for the degree of Doctor of Philosophy

in the Department of History

Donald F. Carmony

Donald F. Carmony, Chairman

Irene D. Neu

Irene D. Neu, Chairman

Robert H. Ferrell

Robert H. Ferrell

Victor Bogle

Victor Bogle

Henry H. Glassie

Henry Glassie

TABLE OF CONTENTS

	Page
Introduction	vii
Chapter One: The Setting	1
Chapter Two: From Hamlet to City	36
Chapter Three: Establishing a Market Area	73
Chapter Four: Paddle Wheels and Iron Rails	113
Chapter Five: Millstones and Hog Pens	144
Chapter Six: Banking and Business	182
Chapter Seven: Community Builders	217
Epilogue: A Heritage	249
Bibliographic Essay	252

Acknowledgement

Much of whatever merit this study may possess I owe to Professors Irene D. Nue and Donald F. Carmony. From its beginning as an idea to its present form they have served as a constant source of inspiration and guidance. Prodding me in the search for more material, and reading the manuscript during every step of its writing, they made numerous valuable suggestions and contributed many basic ideas. Their years of writing and scholarly experience have given this study whatever literary qualities and scholarly accuracy it may have. My debt to Professors Neu and Carmony goes beyond that of student to teacher, for their encouragement and expert criticism, leavened with gentle humor and kindly interest, sustained hope when it was most needed. It has been my great good fortune to have studied under such excellent teachers and fine human beings.

Considerable as my debt is to Professors Neu and Carmony, this acknowledgement would be incomplete without recognition of the help given by many others. Professors Robert H. Ferrell and Henry Glassie read the entire manuscript and provided me with the benefit of their insights and perceptive criticism. Chancellor Victor M. Bogle, Indiana University at Kokomo, in addition to reading and criticising the entire manuscript, first encouraged me to believe I might one day make a worthwhile contribution to the study of history. Father James Higgins, Saint Paul's Catholic Student Center, Indiana University at Bloomington, provided the opportunity for blessed calm. John T. Windle, President of Historic Madison Inc., shared freely his knowledge and insights concerning Madison as did many

other of the town's residents. One such resident, Alene Stottlebower, added much to my knowledge and understanding of steamboating on the Ohio River. Eileen Walters, as if by magic, transformed a dogeared, blue-penciled, scotch-taped draft into a manuscript.

I am especially grateful to the officials and staff of the various libraries and archives where I carried on research. Margaret L. Dixon and her staff at the Madison Jefferson County Public Library generously made available their collections and workspace for extended use. Philip W. McCauley, President Madison Bank and Trust Company, and Richard M. Johnson, President First National Bank of Madison, graciously permitted use of early banking records in their archives. The excellent collections of the Indiana State Library, Indianapolis, where many of my sources were found, were made available to me through the generous assistance of Frances Macdonald, Indiana Division, Caroline Dunn and Leona T. Alig, Indiana Historical Society, and John Selch, Archives Division. Elfrieda Lang, Curator of Manuscripts, Lilly Library, Indiana University, Bloomington, and Robert W. Lovett, Curator of Dun and Bradstreet Manuscripts, Baker Library, Harvard Business School, Boston Massachusetts, were equally generous in their assistance.

Despite the aid gratefully acknowledged and that unacknowledged but no less appreciated, this study would not have been possible except for the help and understanding of my wife, Elaine, and our children, Mark, Matthew, Michael, Phillip, and Mary. In encouraging me in a seemingly impossible dream and in anxiously accepting the many changes in their lives that that involved, they have been my continued reassurance and support. Without them none of this would have been possible and none of it would have meant as much. We grew together and we shared together.

Introduction

The early history of Madison, Indiana, shows a pattern of false starts, important turning points, and combinations of circumstances that make it difficult to sustain the view that local leaders through heroic action create a city. The belief that "Towns don't grow, men build them,"[1] may be true as a pragmatic response to the immediate cause of city building but it does not adequately explain the complexity of the process. Rather a number of factors, geographic and economic as well as human, conditioned the scope, character, and direction of city building in Madison during the period 1811 to 1860. In this case, as perhaps in all cases, men and circumstances were inseparable.

The first circumstance that the men who founded Madison confronted was the environment of settlement. The geography of the Old Northwest gave the westward moving pioneer two resources basic to his success--the Ohio River and a vast expanse of undeveloped territory. The former furnished a transportation route over which men and goods could move, the latter a virgin land rich in easily exploited surface resources--timber, water, food, and productive soil. Pioneer exploitation of these resources facilitated the growth of many towns; some prospered, others progressed little beyond the initial stage of settlement. Still others, like Madison, made notable progress then lapsed into atrophy. The Ohio River and the land reaching

---

[1] Steward Riley, Publisher of Bedford Times-Mail, quoted in Indiana University Daily Student, October 6, 1950.

north from its shores form the background against which to view the growth and decline of Madison.

The editor of the Madison Indiana Republican wrote in 1819:

> Any person who will take the trouble to examine the maps will discover, that Madison is several miles nearer the line of the [New] purchase than any other place on the Ohio River. And it will not require more than ordinary penetration to discover, that this circumstance, together with other advantages, such as the healthiness of Madison, the superior ground for roads from this to the purchase, and the means of accommodation for emigrants, render the place the most safe, convenient, least expensive, and finally, on almost every account the most advantageous point for emigrants to land, who intend settling on the new purchase.[2]

Town boosters readily recognized the importance of Madison as a link between the Ohio River and their hinterland. For the first half of the nineteenth century that river was a major highway of the West--down it moved the pioneers from the East who transformed the dense forests into productive farm land, on its waters moved the goods needed by those pioneers, and, as settlement advanced, the river carried farm surplus to markets in the South and East.

Madison's location made it an entrepot from its beginning in 1811, but the establishment of a sizeable market area in its hinterland, needed for continued growth, took many years. Harold M. Mayer noted the importance of a market area to town development when he wrote:

> Cities exist primarily to provide goods and services for the people who live outside the urban boundaries. No city can exist purely as

---

[2]Madison Indiana Republican, October 9, 1819. The State of Indiana, in October, 1818, extinguished the Indian title to the land lying south of the Wabash and Maumee rivers and a strip north of the Wabash lying between the Tippecanoe and Vermillion rivers. The area, known in Indiana history as the "New Purchase," contained the future site of the capital and was the largest purchase of land the government ever made in the state. R. Carlyle Buley, The Old Northwest; Pioneer Period, 1815-1840 (2 vols., Indianapolis, 1950), I, 36-37.

> a self-sufficient unit; it is a focus or area of concentration for a variety of activities serving areas beyond the city itself.[3]

Madison's population increased from twelve families in 1811 to 1,752 persons in 1830, but even by the latter date it had not fully expanded its market area into the interior lands of the New Purchase. "It is well known that merchants in the interior," wrote the Indiana Republican in 1831, "as well as many of the farmers have formerly procured their goods at Cincinnati and Louisville."[4] Advances in steamboat design that increased the boats' carrying capacity and speed helped broaden Madison's market area in the 1830s. Madison merchants began competing with the two larger river cities for buyers from the interior in 1831 and by 1833 the Indiana Gazetteer reported that "within the months of March and April last, an amount not less than $120,000 in merchandize was imported to this town [Madison], which was chiefly sold to country merchants at wholesale, on terms as fair as could be had at Cincinnati or Louisville."[5]

Improved transportation on the Ohio River helped expand Madison's market area for import trade but the town needed improved land transportation to expand the area from which it drew export trade. The internal river system of its hinterland retarded expansion of an exporting market area because the East and West forks of the White River and their tributaries flowed south and west into the Wabash River rather than toward

---

[3]Harold M. Mayer, "Geography and Urbanism," The Scientific Monthly, LXXIII (July 1951), 41.

[4]Madison Indiana Republican, April 21, 1831.

[5]The Indiana Gazetteer, or Topographical Dictionary (second edition, Indianapolis, 1833), 111.

Madison. An estimated 1,200 to 1,500 flatboats loaded with surplus farm produce annually descended the Wabash River during the 1830s.[6] The rivers of Madison's hinterland had 485 miles of water navigable for flatboats from one to two months in the spring and doubtless contributed much to what New Orleans grain merchants termed the "Wabash Glut."[7] Rivers remained important transport routes in the 1830s because of the poor condition of roads. A letter printed in the Madison Indiana Republican in 1834 described the main route from the north:

> I have recently travelled the Columbus road to this place [Madison] and find it in a most wretched condition. Carriages of any description travel it at great difficulty and risk. Deep mud holes, broken bridges, steep hills, and sliding banks, are innumerable, and unless something is done and that speedily, the traveller and teamster will from necessity abandon this road, and find some other leading into the interior.[8]

Madison held great hope that the Michigan Road, completed in the 1830s, would provide it with a good road north but it was never much traveled.

The building of the Madison and Indianapolis Railroad gave Madison the transport route it needed to command trade that had previously moved over the rivers and roads of its hinterland. Begun by the state in 1836, the railroad extended from Madison to Queensville, 27.8 miles away, in 1842, when the Madison and Indianapolis Railroad Company assumed private control. The private company completed the railroad to Indianapolis, 86 miles from Madison, on October 1, 1847, linking the rich agricultural lands

---

[6]John G. Clark, The Grain Trade in the Old Northwest (Urbana, Illinois, 1966), 24.

[7]Samuel Merrill to Hamilton Smith, July 25, 1849, Merrill Papers (Indiana Historical Society, Indiana State Library).

[8]Madison Republican and Banner, April 17, 1834.

of the central portion of the state to Madison and the Ohio River trade.

In the years between 1835 and 1854 promoters platted 25 separate areas of Madison and scarcely a year passed that some new section was not opened for development. The first plat of land between the river and the town dated from 1826. By 1854 Madison covered the entire mile-and-a-half by three-fourths-mile tongue of bottom land on which it was located.

Completion of the railroad accelerated the growth and prosperity of Madison that had begun with the expansion of steamboat commerce. Madison was the first city in Indiana to join the advantages of the railroad to those of the steamboat. Enterprising citizens of Madison in 1830 constructed its first floating wharf "for the purpose of receiving and forwarding goods to and from the steamboats."[9] The town built its first permanent wharf, City Wharf, in 1833 and by 1851 Madison had six permanent wharves extending along its entire river front.

Completion of the first twenty-eight miles of the Madison and Indianapolis Railroad north from Madison in 1842 did not immediately lead to the expansion of agricultural processing, which was the town's primary industry, because of the "poor and thinly settled country" through which the railroad passed.[10] Madison had obtained its first steam-operated merchant mill in 1832 but further expansion of this industry did not come until 1847, when the railroad was completed to Indianapolis. In that year two additional steam-operated merchant mills were added. The expansion of Madison's milling industry reflected the increase in corn and wheat brought to

---

[9]Madison Indiana Republican, February 17, 1830.

[10]Samuel Merrill to J. B. O'Bannon, December 12, 1847, Merrill Papers.

Madison on the railroad. In 1843, when the railroad extended 35 miles, it carried to Madison no unprocessed wheat and only eleven bushels of corn. By 1847 grain shipped on the road had increased to about 180,000 bushels of corn and 200,000 bushels of wheat, and in 1852 to more than 480,000 and 800,000 bushels respectively. The Magnolia Mill alone in 1850 processed 300,000 bushels of wheat and produced 70,000 barrels of flour.

Extension of the railroad had a similar effect on the expansion of Madison's hog processing industry and gave hope of Madison's "rivaling the great 'Porkopolis' [Cincinnati] itself!"[11] During the 1836-37 season, Madison butchers slaughtered and packed 15,000 hogs; by the 1845-46 season the number had increased to more than 63,000 of which some 53,000 had been carried to Madison on the railroad. The industry reached its peak in the 1852-53 season when almost 123,000 hogs were slaughtered and packed, of which 130,730 moved over the railroad. No single industry meant more to the prosperity of Madison, for in addition to the slaughtering and packing, which produced an annual product in 1850 valued in excess of $670,000, the industry generated supplemental industries. Lard oil, candles and soap, bristle and curled hair brush products, cooperage, and tanning, all depended on the hog industry. The decline in hog processing that followed 1852-53 had a multiplier effect on the city's economy, unmatched by decline in other industries.

The growth of steamboat and railroad commerce also fostered large scale manufacturing industries--boatbuilding and railroad car building.

---

[11]Madison Weekly Courier, October 5, 1844.

Boatbuilding began in Madison as early as 1836 but the venture failed after several years. The industry returned in 1852 with the establishment of the Madison Marine Railway and Ship Yard and until the Panic of 1857 operated successfully. In the spring of 1857, a few months before the panic, the boatyard met an estimated payroll of a thousand dollars a week.[12] The industry struggled on after the panic but the decline of steamboat commerce and the end of the need or desire for large boats, which Madison excelled in building, never permitted the industry to achieve the importance it had previously enjoyed. The Southwestern Car Shop began production of freight, baggage, and passenger cars in November 1851. The firm's best years were between 1852 and 1857, when the shop built railroad cars for the West's early railroads. The industry suffered even more from the Panic of 1857 than did the boatbuilding industry and in 1858 ceased operation.

In 1850 the Daily Courier had reported, "There is scarcely a street or square in all the city, in which improvements are not being made."[13] But Madison's prosperity lasted only a few years, from 1847 to 1853. By 1854, as Calvin Fletcher wrote, Madison had "had its best days."[14] In surveying the economic havoc of the Panic of 1857 in other parts of the state, the editor of the Madison Daily Courier found "Some consolation, in these hard times, in the fact that Madison has not been a fast city

---

[12]Madison Daily Courier, May 24, 1857.

[13]Ibid., April 6, 1850.

[14]Calvin Fletcher Diary, October 12, 1854, Fletcher Papers (Indiana Historical Society, Indiana State Library).

during the last half decade; having been on our backs so long, we are used to it; and it enables us to see the stars falling around us."[15]

Madison's decline might not have been so precipitous had the importance of the commerce of the Ohio River and the town's transportation dominance in its hinterland continued but they did not. The Ohio River as a transportation route began to decline in importance in the mid-1850s as a result of competition from railroads and a series of low-water periods on the river. The opening of the Ohio and Mississippi Railroad to Seymour, about 30 miles north and west of Madison, in 1854 brought Cincinnati and Louisville within six hours of each other, compared with seventeen hours by river. Completion of the road to St. Louis, its terminal point, in 1857 provided a railroad line from Baltimore to St. Louis. Within a few years the railroad had "relegated steamboats to a minor role in the economic life of the West."[16] In 1854 and 1856 droughts literally dried up the Ohio and low water combined with freezing weather delayed opening of the river in 1855 and 1857. The sequence of low-water and ice in the mid-1850s recalled John Randolph's remark that the Ohio River "was frozen over one half of the year and dry the other half."[17]

Railroad competition that fragmented Madison's market area began in 1850, when railroad interests in New Albany and Jeffersonville began laying rival tracks north. It took three years for these roads to complete

---

[15]Madison Daily Courier, October 16, 1857.

[16]Louis C. Hunter, Steamboats on the Western Rivers (Cambridge, Massachusetts, 1949), 481.

[17]Charles H. Ambler, A History of Transportation in the Ohio Valley (Glendale, California, 1932), 204-05.

penetration of the hinterland. The Jeffersonville road reached Edinburg in May 1853 and the New Albany and Salem road reached Bloomington in July of the same year. Two other roads completed their track in 1853--the Lawrenceburg and Upper Mississippi, linking Lawrenceburg to Indianapolis, and the Indiana Central, which joined Indianapolis to Cincinnati by way of Richmond. This year was therefore a turning point in the fortunes of Madison. By 1860 five railroads, in addition to the Madison and Indianapolis Railroad, crossed Madison's hinterland. None of the five came into Madison. From a position of railroad monopoly among port cities in Indiana in 1850, Madison in 1860 shared the advantages of the union of railroad and steamboat commerce with Lawrenceburg, Jeffersonville, and New Albany. In 1860 its market area was smaller than it had been in 1826.

Madison never succeeded in establishing itself in size and function as the primary city of its region. In 1850 it was similar in both respects to New Albany and Indianapolis. Always on the periphery of its hinterland lay the much larger cities of Cincinnati and Louisville. Even if the transportation primacy of the Ohio River had been less severely challenged, it is difficult to perceive how Madison could have avoided decline. In 1828 Timothy Flint praised Madison's location as "central to a great extent of flourishing back country."[18] Madison failed to achieve functional dominance over that back country because of the competition of the larger port cities of Cincinnati and Louisville, and because of Indianapolis, the growth of which eventually made it the primary city in Madison's hinterland.

---

[18]Timothy Flint, A Condensed Geography and History of the Western States (2 vols., Cincinnati, 1828), II, 150-51.

In 1811 when its proprietors laid out the town, Madison was about two days down-river by keelboat from Cincinnati; Louisville was one day down-river from Madison. In terms of up-river movement the travel times were even greater. The location of Madison appears as the functional limit of the influence of Cincinnati and Louisville, and the ideal location for an intermediate river port with the object of serving "flourishing back country." By 1850 the decline in river travel time brought on by steamboat technology placed Madison hours rather than days away from these two larger cities. This decline enhanced Madison's function as a break-in-bulk transfer point but reduced its capacity to develop urban functions competitive with those of either Cincinnati or Louisville. Madison's inability to establish a rolling mill and nail factory in 1853, and to sustain its railroad car and boatbuilding industries, reflected the dominance of such urban functions by the larger cities.

The introduction of railroad technology into Madison's hinterland aided its growth but also benefitted that of other communities. This was especially true of Indianapolis. In 1850, when only the Madison and Indianapolis Railroad crossed Madison's hinterland, the two cities were of relatively equal size. At that time Madison had a population of 8,012, Indianapolis a population of 8,091. By 1860 the population of Indianapolis had more than doubled, to 18,611, while that of Madison had increased but little to 8,130. The growth of Indianapolis during the decade made it the largest and most important city in Madison's hinterland, and the center of much of that area's trade. In 1860 four of the six railroads that crossed the region focused the area's trade on Indianapolis and three of these linked the capital of Indiana to Cincinnati and Louisville. The

Indiana Central and the Lawrenceburg and Indianapolis railroads provided direct connections with Cincinnati, while the Jeffersonville and Indianapolis Railroad joined Indianapolis to the port town opposite Louisville. Through the aid of railroad technology, Indianapolis rather than Madison established itself as the primary city, in size and function, of the hinterland. The growth and position hoped for by Madison's founders and once briefly realized had been more permanently achieved by Indianapolis.

When in 1828 Flint praised Madison's geographic location, the city builders could hope that it might become the functional center of a prosperous market area. Technology in the form of improved steamboats and the railroad temporarily reinforced that hope but what technology had given it might also take away. As Madison declined in the 1850s those who had contributed most to its building left the city. Madison had temporarily provided opportunity for many with the skill and talent to benefit from its advantages but when technology shifted those advantages to Cincinnati, Louisville, and Indianapolis its builders lost faith in its future. Those who remained sustained its business and industry but its functional growth had ceased.